

BOARD OF FINANCE

January 16, 2008

Minutes of the Regular Meeting of the Board of Finance held at 6:30 P.M., on Wednesday, January 16, 2008.

Members Present: First Selectman McCarty, Mr. Doheny, Mr. Volain, Mr. Hallahan, Mr. Piccirillo, Ms. Brown, Mr. Monico

Also Present: Acting Director of Finance Edward J. Swinkoski

ELECTION OF A SECRETARY TO BOARD OF FINANCE

First Selectman McCarty called for nominations for the position of Secretary. Mr. Hallahan moved the nomination of Ms. Brown as Secretary, seconded by Piccirillo.

VOTE:	Doheny - Yes	Volain - Yes	Hallahan - Yes
	Brown - Yes	Piccirillo - Yes	Monico - Yes
	McCarty - Yes		

The following materials were either mailed to the members prior to this meeting or distributed at this time.

1. December 31, 2007 - Report of Budget/Overexpenditures/Special Funds
- Report of Revenue
- Bd/Ed Accounting
2. Agenda – January 9, 2008
3. Minutes of the Regular Meeting held on December 12, 2007
4. Comprehensive Annual Financial Report – FY 2006-2007
5. Revised Department Workshop Schedule – January 8, 2008
6. Resolution, Capital Equipment
7. Resolution, NHTV Videotaping BOE Meetings
8. Letter dated December 24, 2007, McGladrey & Pullen's Management Letter
9. Letter dated January 11, 2008, Response to McGladrey & Pullen's Management Letter
10. Letter dated December 31, 2007, Kostin, Ruffkess & Company, Forensic Audit
11. North Haven Pension Plan Administration Highlights

MINUTES

After a brief discussion of the Minutes of the Regular Meeting held on December 12, 2007, Mr. Piccirillo moved their acceptance, seconded by Mr. Doheny.

VOTE:	Doheny - Yes	Volain - Yes	Hallahan - Yes
	Brown - Yes	Piccirillo - Yes	Monico - Yes
	McCarty – Yes		

PRESENTATION BY TOWN TREASURER

Mr. William V. Gambardella, Town Treasurer, distributed a handout to the Board on the Town's pension plans. He went over each pension plan and addressed several questions from the Board. Mr. Gambardella felt that the plan administrator should meet with the investment company

(Halsey Associates) to review how the Town's money is being invested and if we are happy with those investments. Mr. Doheny asked who is responsible for overseeing all of the Town's pension plans. Mr. Gambardella stated that the Board of Selectmen is the Plan Administrator. Mr. Gambardella also recommended that all pension groups meet on regular basis.

OLD BUSINESS

UPDATE, FY 2008-2009 BUDGET

Ms. McCarty stated that the Board of Selectmen budget workshop took place on January 10th and that it was unlike any other workshop that she has attended in the past. The workshop was noticed in the Town Clerk's office and the press and public were invited to attend. Ms. McCarty said that there will be changes made to the budget and that it is a work in progress. The budget will be available to the Board of Finance before the February budget workshop.

Mr. Swinkoski reported that the budget will be delivered to the Board of Selectmen on January 17th minus the capital section.

OTHER

Mr. Hallahan went over the supplemental forensic report prepared by Kostin, Ruffkess. The period covered for this report was July 1, 1999 through June 30, 2003. The audit determined that there was an additional \$73,249 in questionable expenditures. Mr. Hallahan said that this additional amount was submitted to the insurance company.

Mr. Doheny questioned the authorization of this supplemental report. Mr. Hallahan stated that it was his understanding that it was necessary to continue the audit. Mr. Doheny said at the December Board of Finance meeting there was no discussion or motion to authorize Kostin, Ruffkess to prepare this report.

Mr. Volain said he didn't recall if a motion was made at the last meeting but that he would review the video tape of the meeting. He stated that it was clear to him that the work on the forensic audit would continue.

Mr. Doheny said that the supplemental audit was similar to the last one. He stated that he was disappointed with the results because he felt we don't have the records to put together a strong case.

NEW BUSINESS

REPORT OF BUDGET/OVEREXPENDITURES/SPECIAL FUNDS, REVENUE AND BOARD OF EDUCATION ACCOUNTING DECEMBER 31, 2007

Mr. Swinkoski referred to these reports stating that tax collections at the end of December were 60.2% as compared to 62.3% last year. Mr. Swinkoski reviewed the overexpenditure report in detail. Further discussion followed. These reports were accepted as presented.

Mr. Doheny asked Mr. Swinkoski if he has met with the Tax Collector to discuss tax collections. Mr. Swinkoski stated that he has discussed this issue with the tax collector and that the tax collector is working on a report that will be available to the Board the beginning of February. The tax collector, Mr. Sturtz, then addressed the Board and stated that we are a little behind in our tax collections and attributed it to the economy. He said that the second half of real estate taxes are due the end of January and usually most banks pay right at the end of the month. He expects collections to be close to last year's. He also said that he is diligently pursuing back taxes and would be happy to report back to the Board with his progress.

REVIEW OF 6/30/07 CAFR

Scott Bassett and Christine Carling of McGladrey & Pullen reviewed in detail the Comprehensive Annual Financial Report for the year ended June 30, 2007 and answered questions from the Board. They also went over the Federal and State Financial and Compliance Reports and their recommendations contained in the Management Letter.

Mr. Volain thanked them for a very informative and impressive presentation.

DRAFT RESOLUTION: NHTV VIDEOTAPING OF BOARD OF EDUCATION MINUTES

Ms. McCarty began the discussion stating that the Board of Education Meetings are being taped by NHTV and that she personally pays for the taping of these meetings. She asked the Board to consider funding the remainder of the meetings for this fiscal year.

Mr. Volain then moved the following:

RESOLVED: That a sum not to exceed \$400 be and it is hereby appropriated for the purpose of having NHTV videotape the Board of Education meetings for the remainder of this fiscal year; and, that the cost of this appropriation be offset by the current years' revenue.

Seconded by, Mr. Piccirillo.

VOTE:	Doheny - Yes	Volain - Yes	Hallahan - Yes
	Brown - Yes	Piccirillo - Yes	Monico - Yes
	McCarty - Abstained		

DRAFT RESOLUTION: CAPITAL EQUIPMENT

Ms. McCarty stated that the items listed in the resolution are of an emergency nature and need to be taken care of immediately. She noted that a Special Town Meeting will be scheduled for February 4th.

Mr. Volain then moved the following:

RESOLVED: That it is recommended that the Board of Selectmen call a Special Town Meeting to take action on the acceptance of this recommendation to appropriate to the Capital Account of the FY 07-08 Budget the following sums, for the purposes indicated:

1. To purchase one (1) replacement refuse truck for the Sanitation Division of Public Works	\$176,000.
2. To purchase three (3) boilers to replace two (2) existing boilers for Clintonville School including removal and abatement	\$296,400.
3. To purchase one (1) replacement bucket truck for the Traffic Division of the Police Department	\$ 65,000.
4. To purchase one (1) replacement dump truck body for the Streets & Roads Division of Public Works	\$32,500.
TOTAL	<u>\$569,900.</u>

AND, be it further resolved that the Town authorize that the cost of these appropriations be defrayed by the expenditure of a portion of the unappropriated fund balance.

Seconded by, Mr. Doheny.

VOTE:	Doheny - Yes	Volain - Yes	Hallahan - Yes
	Brown - Yes	Piccirillo - Yes	Monico - Yes
	McCarty - Yes		

OTHER

Mr. Volain said that he would like the Board to work together on the FY 08-09 budget. In the past, as a minority member of the Board, he did not see the budget until an hour before the meeting and he does not want to put the minority members in that position, so he would like to work together as one board not two parties.

Mr. Volain then moved the following:

Resolved, that the March 19, 2008, Board of Finance Meeting begin at 5:30 PM to allow the members of the Board enough time to go over the budget and thus work together to produce a budget that all board members are comfortable presenting to the Town.

Seconded by, Mr. Doheny.

VOTE:	Doheny - Yes	Volain - Yes	Hallahan - Yes
	Brown - Yes	Piccirillo - Yes	Monico - Yes
	McCarty - Yes		

Mr. Doheny asked Ms. McCarty about an article in the newspaper in which Ms. McCarty talked about forgiving interest on back taxes.

Ms. McCarty said she misspoke and that the law states that even if you do not receive a bill for taxes you are still liable.

PUBLIC COMMENT

Discussion followed for approximately 30 minutes with several residents asking questions and making recommendations/suggestions.

There being no further business to come before the Board, Mr. Piccirillo moved to adjourn the meeting at 10:00 PM, seconded by Mr. Doheny.

VOTE:	Doheny - Yes	Volain - Yes	Hallahan - Yes
	Brown - Yes	Piccirillo - Yes	Monico - Yes
	McCarty - Yes		